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EXAMINER	
PORTER, RACHEL L	
ART UNIT	PAPER NUMBER
3626	

DATE MAILED: 08/10/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)	
	09/775,278	STURGIS ET AL.	
	Examiner	Art Unit	
	Rachel L. Porter	3626	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *11 May 2005*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *60-133* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration. .

5)☐ Claim(s) _____ is/are allowed.

6)☐ Claim(s) _____ is/are rejected.

7)☒ Claim(s) *60-133* is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☒ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date *2/1/01*.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: _____.

DETAILED ACTION

Notice to Applicant

1. This communication is in response to the amendment/election filed 5/11/05. Claims 60-133 are currently pending. The IDS filed 2/1/01 has been entered and considered.

Election/Restrictions

2. Applicant's election of Group III in the reply filed on 5/11/05 is acknowledged. Because applicant did not distinctly and specifically point out the supposed errors in the restriction requirement, the election has been treated as an election without traverse (MPEP § 818.03(a)).

Claim Rejections - 35 USC § 112

3. The following is a quotation of the first paragraph of 35 U.S.C. 112:

> The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

4. Claims 77-91 and 107-121 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention.

Claims 77-91 and 107-121 include a plurality of ranges for various criteria. These criteria include time limits for binding the insured entities (<30 days vs. <90

days); sizes for the first, second, third and forth portions of the sampled survey participants; calculated annual premium set points for the insured entities; and predefined score ranking ranges. However, the original specification does not disclose any of these ranges.

5. Claims 77-91 and 107-121 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention.

Claims 77-91 and 107-121 include a plurality of ranges for various criteria. However, the original specification does not disclose any of these ranges. Moreover, the specification fails to explain the significance of these particular number/figures and ranges in practicing or using the applicant's claimed method.

6. The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

7. Claims 79-81,84-87,109-111 and 114-117 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claims 79-81 and 109-111 describe the first (or first, second, third and forth) portion(s) as a percentage. However, it is unclear from the claim language totals these

percent values are based upon. For example, in claim 79 and 109, each of the portions is fifty percent. As currently worded, it would seem that the sum of these portions is 200%. The Examiner suggests clarifying that the first portion or second portion is "fifty percent of..." some other number or portion.

8. Claims 84-87 and 114-117 recite the limitation "the/an average annual calculated premium." There is insufficient antecedent basis for this limitation in the claim. Moreover, the claims recite a plurality of calculated average premium ranges for the set of insured entities. However, it is unclear to the Examiner how this data impacts the steps as performed in the claimed method. In other words, the claimed method is drawn toward surveying and flagging certain elicited responses or information. However, the annual calculated annual premium does not appear to be involved in any of the recited method steps.

Claim Rejections - 35 USC § 101

9. 35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claim 66 is rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

(1) whether the invention is within the technological arts; and

(2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts.

Furthermore, the guidance of recent case law explains that the requirements of 35 U.S.C. 101 are met when "the practical application of the abstract idea produces a useful, concrete, and tangible result" (*State Street Bank & Trust Co. vs. Signature Financial Group, Inc.*, 47 USPQ2d 1596, 1601-02 (Fed. Cir. 1998)). In the present case, the method recites the flagging of an insured entity based upon the opinion (i.e. subjective criteria) of a surveyor. It is noted that the specification does not provide any guidelines or measurable criteria by which this part of the process occurs. As such, it appears that the judgment of the surveyor is subject to human interaction and not a function of the claimed invention. Therefore, it is unclear whether the method as recited in claim 66 can be repeatable and predictable (and thus, concrete.)

Although the recited process as dependent from claim 60 incorporates the technological arts, it does not produce a useful, tangible and concrete result, since it is not clear that the flagging of an insured entity based upon subjective criteria of a surveyor, which are not outlined or explained in the specification, would produce a

repeatable (i.e. concrete) result. Therefore, claim 66 is deemed to be directed to non-statutory subject matter.

Claim Objections

10. Claim 60 is objected to because of the following informalities: The preamble of the claim recites a method for "improving the loss ratio on a book of insurance for an underwriter..." However, the steps of the method merely recite surveying various groups and reporting the results. It is unclear to the Examiner how the steps of the claim achieve the purpose stated in the preamble of the claim.

Appropriate correction is required.

Claim Rejections - 35 USC § 102

11. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless –
>
> (e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

12. Claims 60-63,67-72, 74,75, and 105 rejected under 35 U.S.C. 102(e) as being anticipated by Kern (USPN 6,604,080).

[claim 60] Kern teaches a method of surveying a group of insured or potential insureds, the method comprising the steps of:

a) using a computer having a user interface display for inputting data from responses to a set of survey questions, the display including a plurality of spaces for survey data input; (Figures 5-9)

b) surveying at least a first portion of the set of insured entities, the survey eliciting responses to the set survey questions in step "a"; (col. 22, lines 48-57)

c) on an individual basis, for at least a second portion of the set of entities surveyed, inputting data from the responses received in step "b" into the computer at the spaces provided for in the display in step "a"; (Figures 6,8-12; col. 22, lines 48-57)

d) based on the data inputted during step "c" on an individual basis, for at least a third portion of the set of entities surveyed, having the computer flag each insured entity that does not meet a set predefined underwriting criteria; and (Figure 6; col. 24, lines 30-42)

e) reporting survey information on at least a fourth portion of the insureds who were flagged in step "d". (col. 24, lines 43-49—insured in notified by larger premium/deposit requirement)

[claim 61] Kern teaches the method of claim 60, further comprising the step of obtaining electronically from the underwriter a set of policy information for the insured entities to be surveyed upon which binding of each policy was based, comprising each insured's name, insurance classification codes, number of employees, and payroll. (Figures 13-15)

[claims 62-63] Kern teaches a method wherein at least one screen includes radio buttons and wherein there is a plurality of input screen for inputting survey data (Figures 8-10)

[claim 67] Kern teaches the method of claim 60 wherein information regarding the agents for the surveyed customers is also gathered/indexed with the surveyed insureds (Figures 11 and 16—agent/broker)

[claims 68-72] Kern discloses the method of claim 60, wherein the following information is gathered: performing repair/installation work (Figure 18), work in blasting (Figure 18); work with caustic fumes or hazardous materials classified under federal regulations (Figure 11—radioactive waste handling); frequency, payment and number of sub-contractors (Figure 11); performing out-of-state work (Figure 11)

[claims 74-75] Kern teaches a method wherein the book of business includes worker's compensation and employers general liability insurance (col. 17, lines 4-11)

[claim 105] Kern teaches a method wherein the computer includes a set of forms (i.e. surveys) for identifying insured who meet certain criteria. (Figure 4, 13-15)

Claim Rejections - 35 USC § 103

13. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

14. Claims 64 and 73 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kern in view of Official Notice.

[claim 64] Kern teaches a method of gathering data to assess insurance risk as recited in claim 60, but does not express disclose that the data is gathered using the telephone. However, it is noted that conducting surveys or questionnaires via the telephone is old in the art. At the time of the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method of Kern to gather data via the telephone. One would have been motivated to include this feature to increase the marketability of the method by accommodating the communication requirements and limitations of the consumer.

[claim 73] Kern teaches the method recited in claim 60, as explained in the rejection of claim 60. Kern does not expressly disclose that the survey is flagged when an applicant does not complete a survey in a set number of attempts. However, "timeout" features are old and well known in the art. At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to flag a survey that has not been completed (i.e. within a set period of time). One would have been motivated to include this feature to ensure that all required data for a fair comparison among entities is present so that an accurate assessment may be made.

15. Claim 104 is rejected under 35 U.S.C. 103(a) as being unpatentable over Kern and Official Notice, and in further view of Walker (USPN 6,093,026)

[claim 104] Kern teaches a method of gathering data to assess insurance risk as recited in claim 60, but does not express disclose that the data is gathered using the telephone. However, it is noted that conducting surveys or questionnaires via the telephone is old in the art. At the time of the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method of Kern to gather data via the telephone. One would have been motivated to include this feature to increase the marketability of the method by accommodating the communication requirements and limitations of the consumer.

Kern fails to disclose the use multiple survey question to identify inconsistencies. Walker teaches a survey administration method wherein the system compares a user's responses at different stages of a survey to detect in consistencies. Walker further discloses that the survey respondent may be financial penalized for providing inconsistent answers. (see abstract, Figure 10; col. 9, lines 29-col. 10, line 2) At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method of Kern with teaching of Walker to detect inconsistent answers in a survey and to penalize the respondent. As suggested by Walker, one would have been motivated to include this feature to ensure that the gathered data accurate and trustworthy (col. 1, lines 56-59)

16. Claims 65-66 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kern as applied to claim 60 in view of Greco et al (USPN 5,809,478).

[claims 65-66] Kern teaches the method of claim 60, as explained in claim 60, but does not expressly disclose that the method accommodates the subjective opinion of a surveyor (i.e. system is flagged by the subjective opinion of a surveyor). Greco teaches a system/method in which the independent/subjective opinion of a survey reviewer is accommodated and given weight. (col. 8, lines 46-51; col. 9, lines 10-15) At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method of Kern with the teaching of Greco to allow give weight to the review of a surveyor. As suggested by Greco, one would have been motivated to include this feature to improve the overall quality of insurance product purchased by consumers. (col. 1, lines 34-38)

17. Claims 76-98, 101-103,106-128, and 131-133 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kern as applied to claim 60 in view of Peterson et al (USPN 5,884,275).

[claims 76 and 88] Kern teaches the method of claim 74, as explained in the rejection of claim 74. Kern further discloses gathering information on various predefined criteria (Figure 11; col. 24, lines 30-49) and underwriting the insureds, but does not expressly disclose the step of ranking and numerically scoring the insured entities against one another based upon certain predefined criteria and reporting this information on insured whose ranking is in a particular range. Peterson teaches method/system for

numerically scoring entities based upon a number of risks using a computer, ranking these entities and reporting this information. (col. 11, line 63-col. 12, line 56) Peterson further discloses that this ranking may be provided in ascending order. (Figure 1—ordinal number ranking) At the time of the applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method of Kern with the teaching of Kern to score and rank entities based upon a number of criteria. As suggested by Peterson, one would have been motivated to include this feature to target the most hazardous employers for inspections and assistance, (col. 12, lines 59-63), thereby minimizing the risks undertaken by the insurer.

[claims 77-78] Kern and Peterson teach the method of claim 76, as explained in the rejection of claim 76, but do not expressly disclose how long the entities and/or insured have been "bound" before the surveys/questionnaires were administered. However, at the time of the applicant's invention, it would have been obvious to one of ordinary skill in the art to provide a range time early in the applicant's policy period to gather additional insurance related information. One would have motivated to include these features so that appropriate adjustments to coverage and premiums may be made while certain regulatory and contract guidelines in various jurisdictions allow for such flexibility.

[claims 79-83] Kern and Peterson disclose a method of gathering information and ranking a set of insureds as claimed in claim 76, as explained in the rejection of claim

76. However, Kern and Peterson in combination do not expressly disclose the recited sample size ranges (i.e. wherein the first, second, third, and fourth portions are each fifty percent, 50-95%, or 95-100% or wherein the set of ensured entities is 100-1000 or at least 1000.) However, Peterson does disclose sampling and ranking of a plurality of entities. At the time of the Applicants invention, it would have been obvious to one of ordinary skill in the art to modify the method of Kern and Peterson in combination to include a variety of sample size ranges, including the recited sample sizes, in the survey. One would have been motivated to include this feature to ensure that accurate, reliable and statistically significant results are obtained during the survey process.

[claim 84-87] Kern and Peterson teach the method of claim 76 as explained in the rejection of claim 76. Furthermore, Peterson discloses a method, which obtains information regarding the firm/entities insurance premium (rate/$100 of payroll and its total annual payroll) (col. 6, lines 12-24). Peterson further discloses sampling and ranking of a plurality of entities, but does not disclose that the average annual premium of the entities includes the recited ranges. However, at the time of the Applicants invention, it would have been obvious to one of ordinary skill in the art to modify the method of Kern and Peterson in combination to include a variety of sample size ranges (i.e. various premium ranges), including the recited sample sizes, in the survey. One would have been motivated to include this feature to ensure that reliable and statistically significant results are obtained during the survey process, and to more accurately compare like firms.

[claims 89-91] Kern discloses a method, wherein the following information is gathered: performing repair/installation work (Figure 18), work in blasting (Figure 18); work with caustic fumes or hazardous materials classified under federal regulations (Figure 11—radioactive waste handling); frequency, payment and number of sub-contractors (Figure 11); performing out-of-state work (Figure 11). However, Kern does not expressly disclose that the insured entity is ranked based upon this gathered information, although these data are considered in the process of determining insurance rates for the insured. Peterson teaches method/system for numerically scoring a number of risks (predefined criteria) using a computer and ranking. (col. 12, lines 21-42) Peterson further discloses that an indeterminate number of criteria maybe ranked for the entities. (col. 12, lines 39-42) Therefore, criteria numbers 1-16+ could be accommodated by the method of Peterson. At the time of the applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method of Kern with the teaching of Kern to score and rank "hazardous" a plurality of factors practiced by an insured. As suggested by Peterson, one would have been motivated to include this feature to target the most hazardous employers for inspections and assistance, (col. 12, lines 59-63), thereby minimizing the risks undertaken by the insurer.

[claims 92-93] Kern and Peterson teach the method of claim 76, as explained in the rejection of claim 76. Furthermore, Peterson considers an entities claims and losses for a year. Moreover, Kern collects information on the 5-year history of a company (Fig.

16), but does not disclose that entity is also flagged if it has been in business for less than 3 years. However, at the time of the applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the system of Kern and Peterson in combination to flag and rank businesses with shorter histories. One would have been motivated to include this feature to minimize the risk undertaken by the insurer by favoring more established companies with longer, more predictable claims histories.

[claims 94-98] Kern discloses the method of claim 76, wherein the following information is gathered: performing repair/installation work (Figure 18), work in blasting (Figure 18); work with caustic fumes or hazardous materials classified under federal regulations (Figure 11—radioactive waste handling); frequency, payment and number of sub-contractors (Figure 11); performing out-of-state work (Figure 11) However, Kern does not expressly disclose that the insured entity is ranked based upon this gathered information, although these data are considered in the process of determining insurance rates for the insured. Peterson teaches method/system for numerically scoring a number of risks using a computer, ranking and reporting this information. (col. 12, lines 21-42) At the time of the applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method of Kern with the teaching of Kern to score and rank "hazardous" factors practiced by an insured. As suggested by Peterson, one would have been motivated to include this feature to target the most hazardous employers for inspections and assistance, (col. 12, lines 59-63), thereby minimizing the risks undertaken by the insurer.

[claim 101] Kern teaches a method wherein information obtained and upon which policies are based includes each insured's name, insurance classification codes, number of employees, and payroll. (Figure 4;Figures 13-15)

[claim 102] Kern and Peterson in combination teach the method of claim 76, as explained in the rejection of claim 76. Furthermore, Peterson discloses a system wherein someone who is not an employee of the underwriter performs an audit of the entities. (col. 3, lines 20-30—Assessments may be done by federal safety and consulting firms). At the time for the Applicant's invention, it would have been obvious to one of ordinary skill in the art to have the audit performed by a party who is not an employee of the underwriter. As suggested by Peterson, one would have been motivated to include this feature to encourage the sharing of information among the multiple parties required to provide the appropriate information and target employers in need of consulting assistance. (col. 3, lines 7-48)

[claim 103] Kern and Peterson teach method of claim 76, as explained in the rejection of claim 76. Furthermore, Peterson further provides information on loss prevention and loss management during the survey to the entity being surveyed. (Peterson: col. 6, lines 34-37) At the time of the applicant's invention it would have been obvious to one of ordinary skill in the art to further modify the method of Kern and Peterson to provide this information to the entity being surveyed. As suggested by Peterson one would

have been motivated to include this feature to provide consulting assistance to those employers most in need. (col. 3, lines 7-9)

[claims 106 and 118] Kern teaches the method of claim 75, as explained in the rejection of claim 75. Kern further discloses gathering information on various predefined criteria (Figure 11; col. 24, lines 30-49) and underwriting the insureds, but does not expressly disclose the step of ranking and numerically scoring the insured entities against one another based upon certain predefined criteria and reporting this information on insured whose ranking is in a particular range. Peterson teaches method/system for numerically scoring entities based upon a number of risks using a computer, ranking these entities and reporting this information. (col. 11, line 63-col. 12, line 56) Peterson further discloses that this ranking may be provided in ascending order. (Figure 1—ordinal number ranking) At the time of the applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method of Kern with the teaching of Kern to score and rank entities based upon a number of criteria. As suggested by Peterson, one would have been motivated to include this feature to target the most hazardous employers for inspections and assistance, (col. 12, lines 59-63), thereby minimizing the risks undertaken by the insurer.

[claims 107-108] Kern and Peterson teach the method of claim 106, as explained in the rejection of claim 106, but do not expressly disclose how long the entities and/or insured have been "bound" before the surveys/questionnaires were administered. However, at

the time of the applicant's invention, it would have been obvious to one of ordinary skill in the art to provide a range time early in the applicant's policy period to gather additional insurance related information. One would have motivated to include these features so that appropriate adjustments to coverage and premiums may be made while certain regulatory and contract guidelines in various jurisdictions allow for such flexibility.

[claims 109-113] Kern and Peterson disclose a method of gathering information and ranking a set of insureds as claimed in claim 106, as explained in the rejection of claim 106. However, Kern and Peterson in combination do not expressly disclose the recited sample size ranges (i.e. wherein the first, second, third, and fourth portions are each fifty percent, 50-95%, or 95-100% or wherein the set of ensured entities is 100-1000 or at least 1000.) However, Peterson does disclose sampling and ranking of a plurality of entities. At the time of the Applicants invention, it would have been obvious to one of ordinary skill in the art to modify the method of Kern and Peterson in combination to include a variety of sample size ranges, including the recited sample sizes, in the survey. One would have been motivated to include this feature to ensure that accurate, reliable and statistically significant results are obtained during the survey process.

[claims 114-117] Kern and Peterson teach the method of claim 106 as explained in the rejection of claim 106. Furthermore, Peterson discloses a method, which obtains information regarding the firm/entities insurance premium (rate/$100 of payroll and its

total annual payroll) (col. 6, lines 12-24). Peterson further discloses sampling and ranking of a plurality of entities, but does not disclose that the average annual premium of the entities includes the recited ranges. However, at the time of the Applicants invention, it would have been obvious to one of ordinary skill in the art to modify the method of Kern and Peterson in combination to include a variety of sample size ranges (i.e. various premium ranges), including the recited sample sizes, in the survey. One would have been motivated to include this feature to ensure that reliable and statistically significant results are obtained during the survey process, and to more accurately compare like firms.

[claims 119-121] Kern discloses a method, wherein the following information is gathered: performing repair/installation work (Figure 18), work in blasting (Figure 18); work with caustic fumes or hazardous materials classified under federal regulations (Figure 11—radioactive waste handling); frequency, payment and number of sub-contractors (Figure 11); performing out-of-state work (Figure 11). However, Kern does not expressly disclose that the insured entity is ranked based upon this gathered information, although these data are considered in the process of determining insurance rates for the insured. Peterson teaches method/system for numerically scoring a number of risks (predefined criteria) using a computer and ranking. (col. 12, lines 21-42) Peterson further discloses that an indeterminate number of criteria maybe ranked for the entities. (col. 12, lines 39-42) Therefore, criteria numbers 1-16+ could be accommodated by the method of Peterson. At the time of the applicant's invention, it

would have been obvious to one of ordinary skill in the art to modify the method of Kern with the teaching of Kern to score and rank "hazardous" a plurality of factors practiced by an insured. As suggested by Peterson, one would have been motivated to include this feature to target the most hazardous employers for inspections and assistance, (col. 12, lines 59-63), thereby minimizing the risks undertaken by the insurer.

[122-123] Kern and Peterson teach the method of claim 106, as explained in the rejection of claim 106. Furthermore, Peterson considers an entities claims and losses for a year. Moreover, Kern collects information on the 5-year history of a company (Fig. 16), but does not disclose that entity is also flagged if it has been in business for less than 3 years. However, at the time of the applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the system of Kern and Peterson in combination to flag and rank businesses with shorter histories. One would have been motivated to include this feature to minimize the risk undertaken by the insurer by favoring more established companies with longer, more predictable claims histories.

[claims 124-128] Kern discloses the method of claim 106, wherein the following information is gathered: performing repair/installation work (Figure 18), work in blasting (Figure 18); work with caustic fumes or hazardous materials classified under federal regulations (Figure 11—radioactive waste handling); frequency, payment and number of sub-contractors (Figure 11); performing out-of-state work (Figure 11). However, Kern does not expressly disclose that the insured entity is ranked based upon this gathered

information, although these data are considered in the process of determining insurance rates for the insured. Peterson teaches method/system for numerically scoring a number of risks using a computer, ranking and reporting this information. (col. 12, lines 21-42) At the time of the applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method of Kern with the teaching of Kern to score and rank "hazardous" factors practiced by an insured. As suggested by Peterson, one would have been motivated to include this feature to target the most hazardous employers for inspections and assistance, (col. 12, lines 59-63), thereby minimizing the risks undertaken by the insurer.

[claim 131] Kern teaches a method wherein information obtained and upon which policies are based includes each insured's name, insurance classification codes, number of employees, and payroll. (Figure 4; Figures 13-15)

[claim 132] Kern and Peterson in combination teach the method of claim 106, as explained in the rejection of claim 106. Furthermore, Peterson discloses a system wherein someone who is not an employee of the underwriter performs an audit of the entities. (col. 3, lines 20-30—Assessments may be done by federal safety and consulting firms). At the time for the Applicant's invention, it would have been obvious to one of ordinary skill in the art to have the audit performed by a party who is not an employee of the underwriter. As suggested by Peterson, one would have been

motivated to include this feature to encourage the sharing of information among the multiple parties required to provide the appropriate information and target employers in need of consulting assistance. (col. 3, lines 7-48)

[claim 133] Kern and Peterson teach method of claim 106, as explained in the rejection of claim 106. Furthermore, Peterson further provides information on loss prevention and loss management during the survey to the entity being surveyed. (Peterson: col. 6, lines 34-37) At the time of the applicant's invention it would have been obvious to one of ordinary skill in the art to further modify the method of Kern and Peterson to provide this information to the entity being surveyed. As suggested by Peterson one would have been motivated to include this feature to provide consulting assistance to those employers most in need. (col. 3, lines 7-9)

18. Claim 99 and 129 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kern and Peterson, as applied to claims 76 and 106, in further view of Official Notice, and in further view of Walker (USPN 6,093,026)

[claim 99] Kern and Peterson in combination teach a method for surveying and ranking insured entities as recited in claim 76, as explained in the rejection of claim 76, but do not expressly disclose that the survey is flagged when an applicant does not complete a survey in a set number of attempts. However, "timeout" features are old and well known in the art. At the time of the Applicant's invention, it would have been

obvious to one of ordinary skill in the art to flag a survey that has not been completed (i.e. within a set period of time). One would have been motivated to include this feature to ensure that all required data for a fair comparison among entities is present so that an accurate assessment may be made.

[claim 129] Kern and Peterson in combination teach a method for surveying and ranking insured entities as recited in claim 106, as explained in the rejection of claim 106, but do not expressly disclose that the survey is flagged when an applicant does not complete a survey in a set number of attempts. However, "timeout" features are old and well known in the art. At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to flag a survey that has not been completed (i.e. within a set period of time). One would have been motivated to include this feature to ensure that all required data for a fair comparison among entities is present so that an accurate assessment may be made.

19. Claims 100 and 130 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kern and Peterson as applied to claim 76 and 106 in view of Greco et al (USPN 5,809,478).

[claim 100] Kern and Peterson teach a method of surveying and providing numerical rankings to entities as explained in the rejection of claim 76. Furthermore, Kern teaches method wherein information regarding the agents for the surveyed customers is also

gathered/indexed with the surveyed insureds (Figures 11 and 16—agent/broker), but does not expressly disclose reporting information regarding numerical rankings and the agent's information. Greco teaches a method system wherein information regarding rating and agent information are reported from an underwriter. (col. 4, lines 4-12) At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method of Kern and Peterson with the teaching to Greco. As suggested by Greco, one would have been motivated to include this feature to facilitate communication between underwriters and agents, improve the speed and accuracy with which policies are processed, and to improve the quality of the product that is provided to the consumer. (col. 1, lines 51-55)

[claim 130] Kern and Peterson teach a method of surveying and providing numerical rankings to entities as explained in the rejection of claim 106. Furthermore, Kern teaches method wherein information regarding the agents for the surveyed customers is also gathered/indexed with the surveyed insureds (Figures 11 and 16—agent/broker), but does not expressly disclose reporting information regarding numerical rankings and the agent's information. Greco teaches a method system wherein information regarding rating and agent information are reported from an underwriter. (col. 4, lines 4-12) At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method of Kern and Peterson with the teaching to Greco. As suggested by Greco, one would have been motivated to include this feature to facilitate communication between underwriters and agents, improve the speed and

accuracy with which policies are processed, and to improve the quality of the product that is provided to the consumer. (col. 1, lines 51-55)

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Rachel L. Porter whose telephone number is (571) 272-6775. The examiner can normally be reached on M-F, 9:30-6:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Joseph Thomas can be reached on (571) 272-6776. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

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